

PUBLIC EMPLOYEES RETIREMENT SYSTEM

State Investment Board Balance Sheet As of 12/31/2002

	As of <u>12-31-02</u>	As of <u>6-30-02</u>
ASSETS:		
INVESTMENTS (AT MARKET)		
DOMESTIC EQUITIES	\$ 398,774,426	\$ 392,398,343
INTERNATIONAL EQUITIES	149,516,536	141,777,757
DOMESTIC FIXED INCOME	309,707,663	387,949,954
INTERNATIONAL FIXED INCOME	56,806,368	61,053,375
REAL ESTATE	55,927,330	55,871,311
VENTURE CAPITAL	47,846,875	31,750,074
INVESTED CASH (NOTE 1)	<u>6,254,714</u>	<u>7,720,084</u>
 TOTAL INVESTMENTS	 1,024,833,912	 1,078,520,898
 RECEIVABLES		
DIVIDEND/INTEREST RECEIVABLE	1,327,546	2,210,445
 OTHER ASSETS		
DUE FROM OTHER AGENCIES (NOTE 2)	<u>25,388</u>	<u>0</u>
 TOTAL ASSETS	 <u>\$ 1,026,186,846</u>	 <u>\$ 1,080,731,343</u>
 LIABILITIES:		
ACCOUNTS PAYABLE	683,166	683,167
DUE TO OTHER AGENCIES (NOTE 3)	<u>0</u>	<u>7,315</u>
 TOTAL LIABILITIES	 683,166	 690,482
 NET ASSETS AVAILABLE:		
NET ASSETS AVAILABLE BEGIN OF YEAR	1,080,040,861	1,170,179,844
CASH IN DURING YEAR (NOTE 4)	0	0
CASH OUT DURING YEAR (NOTE 5)	5,600,000	9,250,000
NET INCREASE (DECREASE)	<u>(48,937,181)</u>	<u>(80,888,983)</u>
 NET ASSETS AVAILABLE END OF PERIOD	 <u>1,025,503,680</u>	 <u>1,080,040,861</u>
 TOTAL LIABILITIES & NET ASSETS AVAILABLE	 <u>\$ 1,026,186,846</u>	 <u>\$ 1,080,731,343</u>

PUBLIC EMPLOYEES RETIREMENT SYSTEM

State Investment Board Profit and Loss Statement For the Month Ended 12/31/2002

	<u>Month Ended</u> <u>12-31-02</u>	<u>Year-to-Date</u>
INVESTMENT INCOME		
INTEREST/DIVIDEND INCOME	\$ 5,018,961	\$ 20,799,333
SECURITIES LENDING INCOME	103,382	701,142
	<u>5,122,343</u>	<u>21,500,475</u>
 GAIN ON SALE OF INVESTMENTS	 9,674,319	 99,161,992
LOSS ON SALE OF INVESTMENTS	<u>17,142,756</u>	<u>132,630,261</u>
 NET GAINS (LOSSES) INVESTMENTS	 (7,468,437)	 (33,468,269)
 INVESTMENT EXPENSES	 137,055	 1,717,454
SECURITIES LENDING EXPENSES	85,544	609,898
SIB ADMINISTRATIVE EXPENSES	<u>9,357</u>	<u>62,297</u>
 NET INVESTMENT INCOME	 (2,578,050)	 (14,357,443)
 NET APPREC (DEPREC) MARKET VALUE	 (18,413,055)	 (35,864,609)
MISCELLANEOUS INCOME/(EXPENSE)	<u>(120)</u>	<u>1,284,871</u>
 TOTAL INVESTMENT INCOME	 <u>(20,991,225)</u>	 <u>(48,937,181)</u>
 NET INCREASE (DECREASE)	 <u>\$ (20,991,225)</u>	 <u>\$ (48,937,181)</u>

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Notes To Financial Statements
December 31, 2002

The following notes to financial statements are intended to provide general descriptions of line items in the financial statements.

NOTE 1 **INVESTED CASH**

Pension Cash Pool invested in the short-term investment fund (STIF/STEP) at The Northern Trust Company.

NOTE 2 **DUE FROM OTHER AGENCIES**

Amounts paid in anticipation of the allocation of administrative expenses of RIO.

NOTE 3 **DUE TO OTHER AGENCIES**

Amounts owed to RIO for administrative and direct costs charged.

NOTE 4 **CASH IN DURING YEAR**

Cash transferred into investment accounts at The Northern Trust Company during the current fiscal year.

NOTE 5 **CASH OUT DURING YEAR**

Cash transferred out of investment accounts at The Northern Trust Company during the current fiscal year.